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## **SHORTAGE OF QUALIFIED DRIVERS IN THE FREIGHT TRANSPORT SECTOR**

### **EXECUTIVE SUMMARY**

The Freight Transport Logistics Action Plan, launched by the European Commission in October 2007, outlines a number of actions that aim to help ensure a competitive and sustainable freight transport system in Europe. In this context, BUSINESSEUROPE is particularly interested in the Commission's efforts to find practical solutions to bottlenecks and in finding ways to improve the attractiveness of transport logistics professions.

The prevailing shortage of skilled truck drivers is having a negative effect on the reliability of Europe's transport sector and on the sector's capacity. If no action is taken, driver shortage will lead to an increasing inability to deliver products on time and will therefore have a negative impact on supply chain performance and ultimately on the competitiveness of European industry.

Although shippers and transport companies can contribute to improving this situation, support from the authorities to increase the number of available drivers and their productivity is urgently needed.

BUSINESSEUROPE therefore invites the European Commission to consider the following supportive actions, in close cooperation with the Member States:

- Raise the awareness of the general public on the importance of sustainable transport and logistics for society;
- Reduce entry barriers for driver training programmes by providing financial support for such programmes, both for new young drivers and for retraining unemployed people;
- Review the impact of the Working Time Directive on driver shortage and ensure consistent interpretation and implementation in all Member States;
- Further promote the free movement of labour across Europe;
- Increase the number of truck parking facilities along the main transport corridors, with improved driver facilities and enhanced security;
- Decrease the number of shipments by increasing the authorised vehicle weights and dimensions for road transport across Europe;
- Address road congestion through further investment in improving road infrastructure.

## **BACKGROUND**

The mid-term review of the 2001 White Paper emphasised the key role of logistics in ensuring sustainable and competitive mobility in Europe and in contributing to other objectives, such as a cleaner environment, security of energy supply and transport safety.

The European Commission issued a Communication on Freight Transport Logistics in Europe in June 2006. This was supported by the Transport Council in December 2006 and by the European Parliament in September 2007. The Freight Transport Logistics Action Plan, launched by the Commission in October 2007 outlines a number of short-to medium-term actions that will help Europe address its current and future challenges and ensure a competitive and sustainable freight transport system in Europe.

BUSINESSEUROPE, in this paper, sets out its viewpoints on the work in progress by the Commission, namely the Commission's efforts to find practical solutions to specific obstacles that hinder freight transport logistics in Europe and its work in finding ways to improve the attractiveness of transport logistics professions.

The availability and reliability of European road freight transportation is increasingly becoming affected by a chronic shortage of skilled and qualified drivers. Demand for transportation services is increasing but there is an insufficient flow of new drivers into the profession at a time when the current driver population is ageing rapidly. In addition, certain pieces of EU legislation such as the Working Time Directive provide further challenges, which should be seen in the context of a competitive market where the road freight transport industry competes for skilled drivers with other sectors and professions.

If no urgent action is taken, driver shortage will lead to an increasing inability to deliver products in time and will therefore have a negative impact on supply chain performance and the competitiveness of European industry.

## **CONTRIBUTING FACTORS TO THE SHORTAGE OF QUALIFIED DRIVERS**

BUSINESSEUROPE believes that the following elements have contributed to the current shortage of qualified staff in the freight transport sector:

- A growing economy and an increasing demand for transport in a global environment

In the period 1995-2005, average annual growth of freight transport demand was 2.8 percent. During the same period annual growth of road freight transport demand was 3.3 percent and is expected to continue to rise at approximately 2.5 percent annually. The enlargement of the European Union has contributed to this increase in demand.

- Image of the transport sector

Although the transport sector is an essential production tool for Europe's economy, providing high quality services to industry and its customers, the general public tend to associate this sector with problems relating to congestion and negative environmental

effects, and therefore often disregard the positive contributions that road freight transport brings. Consequently a professional career as a driver does not appeal to many young people.

- Changing demographic structures

Europe's transport sector is facing an ageing crisis with not only fewer young people opting for a career in this sector but also with the current ranks of skilled and qualified drivers rapidly ageing.

- Increasingly regulated working and training conditions

Driving and resting time rules, the use of digital tachographs and on-board computers have reduced the freedom of drivers to control their own working schedules, which has undermined the attractiveness of the profession.

Professional drivers need to obtain a drivers licence as well as a Certificate of Professional Competence before they can start working. Military service used to facilitate the provision of driver training and education but its abolition means that this hole needs to be filled. Directive 2003/59<sup>1</sup> will introduce additional requirements on the qualification and periodic training of drivers in 2009, which could have a further negative impact.

- Decreasing productivity of available drivers

Increasing congestion on roads and at terminals has a negative impact on the productivity of drivers. Traffic jams and queues at loading/unloading facilities reduce the numbers of hours that can be driven with the consequence that more and more drivers are required to transport the same volumes.

In addition the introduction of new European working time rules is estimated to require 10 to 15 percent more drivers, further reducing their productivity.

- Competition in the labour market when the sector's image is at an all-time low

The road freight transport industry not only competes with other industries for skilled and qualified personnel, it also competes with other modes of transport for the best qualified people.

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<sup>1</sup> on initial qualification and periodic training of drivers of certain road vehicles for the carriage of goods or passengers.

## **GENERAL RECOMMENDATIONS**

BUSINESSEUROPE would like to propose the following recommendations in trying to address the driver shortage issue:

### **1) Promoting a more positive image of the transport sector**

Public authorities need to raise the general public's awareness of the importance of transport and logistics for society by carrying out campaigns to promote the transport sector and campaigns to encourage careers in the sector.

### **2) Better preparation for new drivers**

A careful examination of the extent to which new drivers can be better prepared for the job is crucial. From an educational perspective, public authorities needs to:

- increase training opportunities and prepare appropriate educational programmes to develop qualified drivers;
- include driving as a vocational training option in schools;
- promote young driver schemes and schemes for re-training unemployed people;
- promote and sponsor continuous professional development;
- put in place some form of financial aid to support initial and continuous training;
- increase the number of truck parking facilities along the main transport corridors, with improved driver facilities and enhanced security.

### **3) Overcoming the shortage of qualified drivers in the labour market**

Public authorities should consider the following actions to help stem the scarcity of qualified drivers:

- facilitate the use of occasional drivers;
- facilitate the contracting of skilled and qualified foreign drivers (by improving the free movement of labour);
- train and bring more women into the driver profession.

### **4) Increasing the productivity of drivers**

There are a number of measures that public authorities need to look to in order to improve the productivity of drivers, which will in turn increase the efficiency of freight transport:

- review the impact of the working time directive and ensure consistent interpretation and implementation in all member states;
- increase authorised maximum vehicle gross weights and dimensions at European level;
- ease the cabotage rules;
- harmonise and reduce weekend driving bans;

- implement measures that facilitate free movement of trucks (by improving the road infrastructure)

### **5) Cooperation is needed**

All parties in the logistics chain and authorities at local, national and international level need to take joint initiatives to tackle the driver shortage problem successfully.

BUSINESSEUROPE believes that if the driver shortage issue is not addressed and the above recommendations not taken seriously the quality of professional drivers will deteriorate, which will reduce traffic safety and cause more accidents. In addition, the quality of customer service will deteriorate as industry will be unable to deliver their products on time. This will have a negative impact on supply chain performance and therefore on the general competitiveness of European industry.

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